The Past AKA In the beginning

- Total Dependence On Foreign Oil, Energy Dependence on Foreign Unstable Governments.
- Passage of Energy Policy Act And Clean Air Act recognize need for future alternatives.
- Lack of focus and poor planning created ill fated attempts to create sporadic infrastructure with little or no fleet base to support.

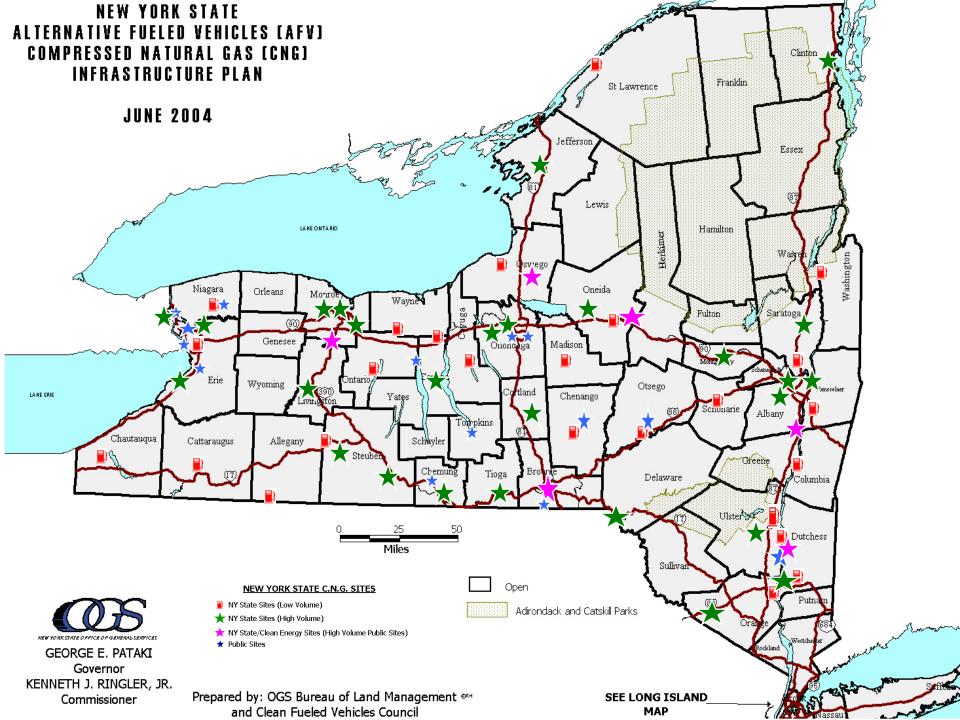
Natural Gas is the Expressway to the Future!

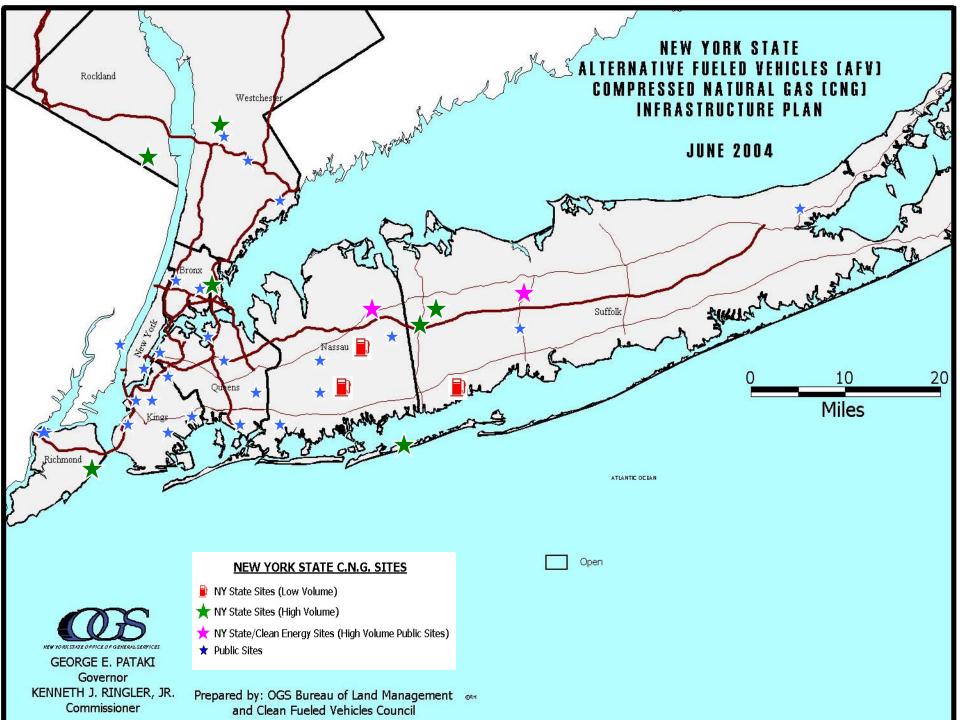
- N.Y.S. agencies have nearly 8500 Alt Fuel Vehicles in their fleets. 2178 are CNG with 1343 being dedicated. DOT has 804 of the 1343 dedicated vehicles.
- We are averaging 66,000 gallons per month of CNG being dispensed from our facilities. 183,806 gallons were sold to the public.
- We are beginning to convert our large truck fleet to CNG or LNG Dual Fuel and eventually a dedicated LNG fleet.



The Key to success is Infrastructure

- We built 30 low volume, fast fill stations in a modular design anticipating expansion.
- 26 of the original 30 sites have expanded capacity. All sites have pressure upgraded to a minimum 4200 psi storage. 18 new sites have been built and 11 more are in progress.
- LCNG will be the design for 150+ stations with no pipeline access.





Compressed Natural Gas (CNG) Fuel Usage

Calendar Year	CNG Fuel Consumption (Gasoline Gallon Equivalent)		
	State Sites	Commercial Sites	Total
2000	210,000	N/A	210,000
2001	329,000	N/A	329,000
2002	255,982	239,002	494,984
2003	376,688	220,944	597,632
2007	396,257	397,733	793,990
Total			6,480,038

We need to develop the infrastructure necessary to support interstate travel.

- CNG infrastructure does not have to be prohibitively expensive!
- L/CNG infrastructure can serve both vehicle platforms further reducing cost.
- When calculating the cost benefit of natural gas we must also consider the total clean up costs incurred with a fuel spill.

Typical DOT 'Low Volume'







BARLOW ROAD, BINGHAMTON CNG SITE, REGION 9 - 3 SEPT 03

What have we learned to date?

- We are saving a minimum of .20 cents per gallon using natural gas. We saved over \$2 per gallon during summer of 2008.
- We have extended oil change intervals 100% with no detrimental effect on the vehicle.
- We have reduced the cost of building infrastructure through competitive bidding.

We are at a critical Transition point from past to future.

• We are near saturation of the logical locations to build CNG infrastructure. We must start building LNG infrastructure in the remaining 75% of our facilities that do not have CNG pipeline access. LNG is also the most logical fuel for the heavy duty fleet. LNG is renewable.

Where are we going?

- Over the next 30 years we will have to replace everyone of our existing diesel and gasoline fuel facilities at a projected cost of 30-50 million dollars.
- I recommend that we instead position ourselves to close these facilities and build LCNG facilities which will fuel both light and heavy duty vehicles at a total cost of about 30 million.

What about Hydrogen?

- The most efficient transition to hydrogen is through Natural Gas technology.
- Hydrogen Fuel Cell technology is inefficient and cost prohibitive now and for the foreseeable future.
- Current hydrogen fuel cell technology is impractical for the majority of transportation needs.

Conclusions

- We should not repeat the mistakes made in the past and become dependant on any single energy source.
- Hydrogen/Fuel Cell technology is viable for relieving pressure on the power grid.
- Bio Fuel technology can displace up to 5% of our current crude oil consumption now and hopefully more in the future.

LNG is the Superhighway to Clean Corridors

- LNG is viable for all fleet vehicles regardless of size.
- LNG does not require pipeline access, it can be liquefied and transported to remote locations.
- LNG is renewable from landfill gas and wastewater gas creating energy independence.

The best way to predict the future is to create it.